

**COMMONWEALTH OF KENTUCKY
PUBLIC PROTECTION CABINET
DEPARTMENT OF FINANCIAL INSTITUTIONS
ADMINISTRATIVE AGENCY ACTION NO. 2009-AH- 035**

IN THE MATTER OF:
FIRST CHOICE FUNDING, INC.

AGREED ORDER

FINDINGS OF FACT

1. The Department of Financial Institutions (“DFI”) is responsible for regulating and licensing mortgage loan companies, mortgage loan brokers, mortgage loan originators, and mortgage loan processors in accordance with the provisions of KRS Chapter 286.8, the Mortgage Loan Company and Mortgage Loan Broker Act.

2. First Choice Funding, Inc. (“First Choice”) is licensed as a mortgage loan company doing business under the name Norstar Mortgage Group in the Commonwealth of Kentucky, license no. 20399, with its principal office at 2100 Riverchase Center, Suite 100, Birmingham, Alabama 35244.

3. When First Choice initially submitted its application for licensing on May 24, 2007, Zach Rogers, president of First Choice, was listed as one hundred percent (100%) owner of First Choice.

4. On January 26, 2009, First Choice submitted a request to DFI for a change of control. The written request was for fifty percent (50%) ownership to be transferred to Anne Rogers from Zach Rogers. The accompanying documentation requested a transfer of fifty percent ownership (50%) from Anne Rogers to Zach Rogers.

5. Upon further investigation, DFI learned from documents submitted by First Choice that Sugg Alabama Real Estate, LLC, and Anne Rogers were the true owners of First Choice since 1998. Subsequently, on September 2007, Anne Rogers bought out Sugg Alabama Real Estate, LLC.

6. DFI was never informed that Sugg Alabama Real Estate, LLC and Anne Rogers had ownership interests in First Choice.

STATUTORY AUTHORITY

7. KRS 286.6-075(1)(b) provides in part that change of control” means a transfer of at least ten percent (10%) of the outstanding voting stock of a mortgage loan company or a mortgage loan broker.

8. KRS 286.6-075(2) provides that a transfer of voting stock of a mortgage loan company or mortgage loan broker which constitutes a change of control shall be approved in writing by the commissioner, prior to the transfer.

9. KRS 286.6-075(3) provides that the owner, president, chief executive officer or a partner shall apply to the commissioner for approval of a transfer of voting stock in his mortgage loan company or mortgage loan broker which constitutes a change of control. The application must contain information which shows that the requirements of this chapter for obtaining a license will be satisfied after the change of control.

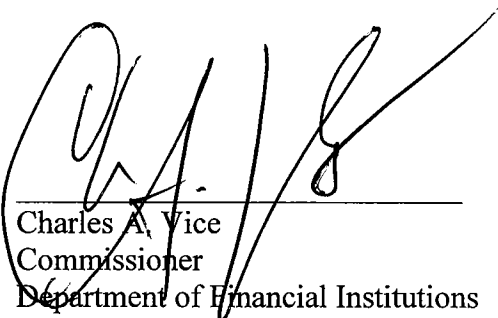
ORDER

10. For its violation of KRS 286.6-075, First Choice agrees to pay a fine in the amount of two thousand, five hundred dollars (\$2,500). The fine shall be made payable by money order or certified check to “Kentucky State Treasurer” and shall be paid within thirty (30) days from the date that the Commissioner of DFI executes the Agreed Order.

11. First Choice agrees that by entering into this Agreement it waives its right to a hearing, at which First Choice would be entitled to be represented by counsel, to confront and cross examine witnesses for DFI, and to present evidence on its own behalf. First Choice further agrees and acknowledges the jurisdiction of DFI over this matter and that this Agreement is a matter of public record and may be disseminated as such.


12. Zach Rogers, states on behalf of First Choice, that he is an officer authorized to enter into and execute this Agreed Order on behalf of First Choice.

This the 18th day of June, 2009.



Charles A. Vice
Commissioner
Department of Financial Institutions
1025 Capital Center Drive, Suite 200
Frankfort, KY 40601

FOR COMMONWEALTH OF KENTUCKY
DEPARTMENT OF FINANCIAL INSTITUTIONS

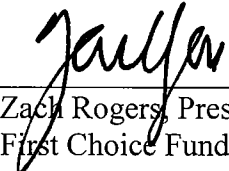


Chris Thompson, Branch Manager
Division of Financial Institutions

6/4/09

Date

FOR FIRST CHOICE FUNDING, INC.



Zach Rogers, President
First Choice Funding, Inc.

6/15/09

Date